

# HOUSE JOINT RESOLUTION 784

By DeBerry L

A RESOLUTION urging the United States Congress to fund the Public Housing Capital Fund and the Public Housing Operating Subsidy.

WHEREAS, the foreclosure crisis of 2007-2008 is sweeping across our nation, precipitated by sub-prime mortgage lending, predatory lending practices, and an inflated housing market; and

WHEREAS, a sub-prime mortgage is made to a borrower who does not qualify for a traditional mortgage with market interest rates because of a weak credit history or poor qualifications. A sub-prime mortgage is offered at a higher interest rate or includes terms to offset the higher risk, terms such as a prepayment penalty; and

WHEREAS, studies show that African-American and Latino borrowers are more likely to pay sub-prime interest rates; and

WHEREAS, this General Assembly recognizes the importance of public housing to the future of our communities; public housing supports nearly three million low-income, disabled, and senior citizens while stabilizing our communities; and

WHEREAS, according to the Center for Responsible Lending, 2.2 million families with sub-prime mortgages acquired after 1998 face or will soon face foreclosure due to predatory mortgage lending practices; and

WHEREAS, the Mortgage Bankers Association and the Center for Responsible Lending project that one of every five sub-prime loans issued during the past two years will be foreclosed; and

WHEREAS, foreclosure is a crisis for families, because it undermines wealth accumulation, and it impacts local communities and municipal revenues; now, therefore,

BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES OF THE ONE HUNDRED FIFTH GENERAL ASSEMBLY OF THE STATE OF TENNESSEE, THE SENATE CONCURRING, that this General Assembly is committed to developing solutions which will allow families to keep their homes and will promote ownership preservation and wealth accumulation.

BE IT FURTHER RESOLVED, that we hereby urge the United States Congress to fund the Public Housing Capital Fund and the Public Housing Operating Subsidy for fiscal year 2009 and support the creation of a National Affordable Housing Trust Fund (H.R. 2895), which will create a separate fund to aid low income housing.

BE IT FURTHER RESOLVED, that we also call upon the Congress and the federal government, including the Federal Reserve, the Federal Deposit Insurance Company, and the Office of the Comptroller of the Currency, to provide greater oversight and regulation of mortgage brokers, provide counseling assistance to borrowers seeking a mortgage loan, and provide assistance to homeowners facing foreclosure due to predatory lending practices.

BE IT FURTHER RESOLVED, that this General Assembly supports the passage of the Mortgage Reform and Anti-Predatory Lending Act (H.R. 3915).

BE IT FURTHER RESOLVED, that an enrolled copy of this resolution be delivered to the President of the United States and to each member of Tennessee's delegation to the United States Congress.